

Case Name: Celsius Network LLC, et al.

Case Number: 22-10964 (MG)

Client: John Smith

Account ID 1755528c2f

RE: NOTICE OF HEARING ON DEBTORS' MOTION SEEKING ENTRY OF AN ORDER (I)  
AUTHORIZING THE DEBTORS TO REOPEN WITHDRAWALS FOR CERTAIN CUSTOMERS WITH  
RESPECT TO CERTAIN ASSETS HELD IN THE CUSTODY PROGRAM

This is an objection to the motion by the debtors and a similar request by the ad-hoc group of custodial account holders to release partial amounts of funds in the Custody program, at least until the details are further defined, and answers are provided to accounts that should be considered Custody but may be deemed Earn by the fault of Celsius.

Celsius had a technical issue in April preventing me from moving assets to the Custody program. I have evidence that an employee in the support group said that they would treat my account as in the Custody program until they figured the issue out. The support team never solved the issue, so they should be considered as Custody. The support person claimed there were several accounts affected by this, and that it was due to poor design in the too rapidly developed Earn vs Custody account option on the website that was full of buggy code.

There are also customers that should have been forced to move funds into Custody because state or federal regulations deeming the Earn program to be illegal.

There are also customers that had no choice to select which account type to be in, which were mostly international users. They were forced to be in Earn, even though it also was considered illegal by several local laws.

Celsius halted withdrawals before filing for bankruptcy so that those that acted first weren't negatively affecting those that requested that same action at a later time, when there may have been no money left. They claim they wanted to protect the assets so everyone had a fair shot at getting an equal proportional amount of their crypto back. Now, granting this motion to only some of the Custody accounts is essentially allowing some in this process to benefit more than others.

It would be fairer to allow every person with any account to withdrawal some crypto up to the court set cap limit. Or at least include those that could have or would have been in the Custody program if it wasn't for lack of technical expertise by the Celsius support and IT staff.